

अण्डमान तथा  
Andaman And



निकोबार राजपत्र  
Nicobar Gazette

असाधारण

EXTRAORDINARY

प्राधिकार से प्रकाशित

Published by Authority

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l a 160] i kM [ys j] l kookj] 22 fl rEcj] 2014  
No. 160, Port Blair, Monday, September 22, 2014

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**F.No. 2-34/M-Tsm/Subsidy/2014**  
**ANDAMAN AND NICOBAR ADMINISTRATION**  
**DIRECTORATE OF TOURISM**  
**PORT BLAIR**

**NOTIFICATION**

Port Blair, dated the 22<sup>nd</sup> September, 2014

No.154/2014/F.No.2-34/M-Tsm/Subsidy/2014.—The Andaman and Nicobar Administration has been pleased to frame a New Scheme / Programme for the Grant of 50% Capital Subsidy for procurement of Tourist Boat (maximum 12 Seater) in Andaman & Nicobar Islands. Under the programme **“50% Capital Subsidy for replacement of the existing FRP Boats with new registered Boats (maximum 12 Seater) in Andaman & Nicobar Islands”** shall be granted to Enterprises / Individual engaged in Tourism related activities in the Andaman & Nicobar Islands @ 50% subsidy on the fixed capital investment :-

**1. Name & Title of the Scheme**

This programme may be call **“50% Capital Subsidy for replacement of the existing FRP Boats with new registered Boats (maximum 12 Seater) in Andaman & Nicobar Islands”**

**2. Commencement and Duration**

The Scheme / Programme will be implemented during Twelfth Five Year Plan period 2012–2017. The Scheme / Programme come into effect from the date of Notification of the Scheme / Programme and shall remain in operation until 31<sup>st</sup> March, 2017. The Scheme / Programme shall be available to all such Enterprise / Individual engaged in operating Tourist Boat (**maximum 12 Seater**) activity which have commenced their commercial operation on or after the date of Notification of the Programme.

**3. Definitions**

- i. **“50% Capital Subsidy for replacement of the existing FRP boats with new registered boats (maximum 12 Seater) in Andaman & Nicobar Islands”** means 50% of the amount reimbursable to the enterprises engaged in Tourist Boat on its investment on procurement of both kinds of boats, subject to a maximum amount of **Rs. 10.00 lakh**.
- ii. **“Fixed Capital investment”** means investment made in procurement of Tourist Boat (maximum 12 Seater).
- iii. **“Enterprises”** means an undertaking or business concern or any other establishment by whatever name called engaged in providing or rendering Tourist Boat Services.
- iv. **“Micro Enterprises”** means an enterprise classified as such under sub clause (i) of clause (a) or sub-Clause (i) of clause (b) of sub-section (i) of section 7, Chapter III of MSMED Act, 2006.

- v. **“Small Enterprises”** means an enterprise classified as such under sub-clause 9(i) of clause (a) or sub-clause (ii) of clause (b) of Sub-Section (i) of Section 7, Chapter III of MSMED Act, 2006.
- vi. **“Implementing Agency & Disbursing Agency”** means Directorate of Tourism, Andaman & Nicobar Administration.
- vii. **“Policy Formulating Agency”** means Directorate of Tourism, Andaman & Nicobar Administration.
- viii. **“Tourist Boats”** ‘Tourist Boats’ are those mechanized craft registered under IV Act and is used for monetary consideration by way of conducting visits for the tourist.

#### **4. Eligibility**

All Enterprises/Individual who are engaged in Tourist Boat (maximum 12 Seater) activity are eligible for subsidy under this programme which fulfils the following criteria :-

- I. Is a holder of Memorandum-II under the Micro & Small Enterprises Development Act, 2006 issued by District Industries Center, Andaman & Nicobar Islands.
- II. The Enterprises/Individual investment made by after the date of Notification till 31<sup>st</sup> March, 2017 shall submit the claim within one year from the date of this Notification.
- III. It is mandatory that all the Tourist boat (maximum 12 Seater) should be registered under IV Act for Tourist purposes.

**Note:-** Any Enterprises / Individual that avails assistance under this programme “50 % Capital Subsidy on procurement of Tourist Boat (with 12 and below seating capacity) in Andaman & Nicobar Islands” shall not be eligible to avail assistance under similar programmes of Andaman & Nicobar Administration or Government of India.

#### **5. Terms & Conditions**

- i. The boats under consideration should be registered with the government for tourism purpose.
- ii. The unit should employ 60% of its staff from islanders.
- iii. Any Enterprises / Individual availing assistance under this programme should be operational for minimum 05 years from the date of disbursement of Subsidy, except on account of any natural calamity or other unforeseen circumstances.

#### **6. Procedure for claiming Subsidy**

- i. After obtaining Registration under IV Act and obtaining Entrepreneurs Memorandum-II the enterprise shall furnish claim to the Director of Tourism, Andaman & Nicobar Administration in the prescribed form (Annexure-I) alongwith all supporting documents, bills/ vouchers .
  - ❖ Certificate from Chartered Accountant regarding capital expenditure incurred on the project (Annexure-II).
  - ❖ A certificate in the prescribed Performa (Annexure-III) from the financial institution certifying the amount of loan sanctioned and disbursed, if any.

**Note:** In case of the Enterprises /Individual with a Capital Investment of Rs. 1.00 lakh or less the requirement of production of the certificate from the Chartered Accountant is not necessary, provided such claims are properly verified and certified by Director of Tourism, Andaman & Nicobar Administration before the subsidy is disbursed by the Andaman and Nicobar Administration.

**8. Sub-Committee and Scrutiny Committee**

i. The claim will be placed before the Sub-Committee comprising of :-

- ❖ Director of Tourism, A & N Admn. - as Chairman
- ❖ Director of Shipping Services - as Member
- ❖ Sr. Accounts Officer (Fin.), A & N Admn. - as Member
- ❖ Dy. Resident Commissioner (HQ), Tourism Deptt. - as Member Secretary

The committee shall do the preliminary scrutiny before placing the claim to the "Scrutiny Committee", if necessary conduct physical verification.

ii. The recommendation of the sub-committee alongwith detailed claim of the Enterprises/ Individual will be submitted to the Scrutiny Committee comprising of :-

- ❖ Secretary (Tourism) - as Chairman
- ❖ Administrative Secretary (Industry) - as Member
- ❖ Administrative Secretary (Shipping) - as Member
- ❖ Administrative Secretary (Finance) - as Member
- ❖ Director of Tourism - as Member Secretary

iii. With the recommendation of the scrutiny committee the Directorate of Tourism shall process for obtaining Administrative approval, expenditure sanction, prepare bills to be sent to PAO for drawl of funds for disbursement after completion of all required formalities and documentation.

**9. Sanctioning Authority**

The sanctioning authority will be as per powers delegated vide Andaman & Nicobar Administration Order No. 995 dated 28<sup>th</sup> March, 2014 and revised from time to time.

**10. Documentation**

On receipt of the sanction from the sanctioning authority the implementing agency (Directorate of Tourism) shall issue sanction letter to the unit stating the amount sanctioned and the unit shall be required to furnish the following documents in order to avail the sanctioned subsidy :

- a) An agreement executed with the Govt. in the prescribed form (Annexure-IV) appended to this programme.
- b) Proper money receipt for the sanctioned subsidy amount.
- c) A certified copy of the Boards resolution accepting the Capital Investment Subsidy in case the unit is set up by a Co-operative Society or a Limited Company.
- d) An undertaking from the unit to the effect that the subsidy shall be adjusted towards the loan account in case the Govt./ Financial Institutions/Corporation for creating fixed assets in Annexure-V.

**11. Disbursement of Subsidy**

The Director of Tourism, Andaman & Nicobar Administration shall be the disbursing agency for the subsidy and will be responsible for maintaining all records of such disbursement.

**12. Recall of Subsidy**

The Lt. Governor may recall the subsidy disbursed under the programme in respect of a unit under any of the following circumstances:

- i. In case there *is* a breach of any condition of programme/ agreement by the unit.
- ii. In case the enterprise has obtained the Capital Investment Subsidy by mis-representation of facts or by furnishing false information.
- iii. In case the enterprise goes out of service within five years from the date of commencement of service, except in cases where the unit remains out of service for a short period extending not more than six months, due to reasons beyond its control.
- iv. In case the enterprise fails to furnish any information/ report as and when sought.
- v. In case the enterprise, without taking prior approval of Director of Tourism, Andaman & Nicobar Administration shifts the location of the unit or disposes its fixed capital investment within a period of five years after the receipt of Subsidy.
- vi. In case the Enterprises is found ineligible for any reason.

**13. Power of Interpretation**

Power of Interpretation of any clause under the programme shall lie with the A & N Administration.

**14. Arbitration**

In the event of any dispute or difference arising out of the programme or any of the claims therein, the same shall be referred to a sole Arbitrator appointed by Hon'ble Lt. Governor and the provision of Arbitration and Conciliation Act, 1996 shall be applicable. The decision of the Arbitration shall be final and binding on both the parties and the proceeding of the Arbitrator shall be held at Port Blair.

By order and in the name of the Lt. Governor, A & N Islands.

**Sd./-  
Director (Tourism)**